

Central School District 13J

Code: **DLB-AR**
Revised/Reviewed: 12/07/98; 2/07/11
Orig. Code(s): DLB-AR

Tax-Sheltered Annuities and Deferred Compensation Plans

Solicitation of Employees

Prior to solicitation of district employees, the company must file with the payroll office:

A copy of all information presented to prospective clients.

1. A certification that the contract qualifies as a tax shelter as described in Section 403(b) of the Internal Revenue Code;
2. Certification (if an agent is involved in the transaction) of the agent's name (s) licensed to sell their products in written form;
3. All solicitation of individual district personnel is prohibited during employee's work period;
4. Deductions will begin the payroll period after the required number of applications are received in the payroll office prior to the first working day of the month. New contracts and adjustments to contribution levels of existing contracts must be submitted to the district by the first working day of the month for payroll deduction to be made at the end of the month.

Discontinuance of Payroll Deduction

Companies authorized for payroll deductions will be maintained as a payroll deduction option as long as an employee is contributing to the plan. The first pay period that no employee makes a contribution, the company will be discontinued from the payroll deduction program.

Companies with less than eight active participants for six consecutive months will be so notified in writing and given six months to increase employee participation to eight employees within the time allowed.

Companies discontinued under this rule must reapply under district policy and rules to qualify for payroll deduction.